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C O N F I D E N T I A L SECTION 01 OF 03 DAKAR 000290

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TAGS: PGOV PREL PINS ECON PINR KDEM SOCI SG
SUBJECT: SENEGAL'S KARIM WADE - THE HEIR APPARENT?

REF: A. A) DAKAR 109 <u>1</u>B. B) 08 DAKAR 825

Classified By: DCM JAY T. SMITH FOR REASONS 1.4 (B) AND (D)

- 11. (C) SUMMARY: With local elections less than three weeks away, the country has entered a period of intense campaigning. One of the key battles will be in Dakar, where President Abdoulaye Wade has finally made a move to slip his son Karim into the political arena by including him on his party's list to position him to capture the office of Mayor of Dakar. To many, Karim is the archetypal eminence grise with overarching control over much of Senegal's political and economic life. End Summary
- 12. (C) With a budget close to (CFA) 35 billion (USD 70 million), Dakar is by far the largest municipality in Senegal and thus a potential springboard for any ambitious politician. The current mayor of Dakar, Pape Diop, heads the ruling Democratic Party of Senegal's (PDS) list for the city, but it is widely expected that should the PDS be victorious he will step aside in order to allow Karim to take the job. In Senegal's complicated hybrid plurality-wins/proportional representation system, it is the municipal council, made up of a city's district mayors (19 in the case of Dakar) and their deputies plus the winning list of the election for the city itself that will get together after the elections to vote for the Mayor of Dakar. Depending on how the PDS fares in the districts, Karim may yet have an uphill battle even if, as is widely expected, the PDS wins in Dakar proper.
- 13. (C) To most observers, Karim's entry into the political arena is no surprise. Speculation had been rife as to how his father would present him to the Senegalese people. That being said, his entry was done with very little fanfare and his placement of fourth on the list is an acknowledgement that he does not carry much weight in terms of votes. However, even though his placement on the list is "low key," if elected, Karim will be eligible to be selected as the Mayor of Dakar. Karim could draw upon the credibility of being Mayor to also run or perhaps be appointed to the National Assembly, to a cabinet position, or even as president of the Senate (which would make him the Constitutional successor in the event that President Wade dies in office or steps down prematurely). This, according to some commentators, would make it easier for the President to manage the succession.
- 14. (C) The Senegalese people are strongly divided over whether or not Karim could win a presidential election in 2012 or sooner. Many believe that Karim would be unacceptable for not being "Senegalese8 enough (given that he is half French, spent much of his life out of Senegal and is not a Wolof speaker); others have indicated a general distaste for hereditary leadership. When asked about the prospects of a Karim presidency, most Senegalese scoff at the idea, saying, "it can't happen, the people won't accept

this." However, others note that Senegalese elections are largely about money, that broad constituencies can be "bought off" through patronage or directives by leading marabouts (Muslim religious leaders). In this regard, Karim is certainly well positioned to wield political influence, Senegalese style.

Who is Karim?

- 15. (C) For the most part Karim Wade is an enigmatic figure, who has so far let others do much of the talking for him in public. He is rarely seen in public, and when he is it is usually with his father. He has done very few press events. Karim's first major foray out of the shadows was when he was placed in charge of the Agence National Pour l'Organization de la Conference Islamique (ANOCI), the agency that was tasked with organization of the March 2008 Organization of the Islamic Conference (OIC) summit in Dakar. He oversaw the construction of a number of high profile infrastructure projects and he was also the President's envoy/courier to the Middle East. The amount of money that was spent for the summit remains as yet unknown but it is widely believed that Karim has embezzled a significant amount of funds. In the diplomatic community, Karim is now known as Mr. Fifteen Percent (up from Mr. Ten Percent when Poloff arrived at post in early 2007).
- 16. (C) His role within his father's entourage as a Special Economic Advisor remains nebulous, but he is widely considered to be the President's top advisor and strategist. Up until his inclusion in the list for the Mayor's job, Karim purposefully kept a low profile in order to avoid competing

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with his father. It is strongly rumored that his mother, Vivianne Wade, is the major force behind his candidacy and that President Wade only recently came around to the idea that his son might take his place. During the early part of his presidency, the leading candidate to succeeded Wade was his political protg and "spiritual son" Idrissa Seck, the former presidential chief of staff and prime minister. After an extended spell in the political wilderness following his unceremonious fall from grace, Seck is now back in the PDS after having negotiated some sort of reconciliation with the President (Ref B). Many observers believe that President Wade wants his son to succeed him in order to protect his legacy and also his family from possible allegations of corruption.

- 17. (C) The organization of the OIC summit revealed Karim to be a micromanager as he not only took charge of infrastructure related to the conference but also ran the diplomatic relations linked to the conference, even going as far as picking the color of the badges that each attendee was to wear. On the day of the opening of the summit, Karim was seen by one his deputies, a close embassy contact, cleaning dust off the tables where key guests were to sit. This same contact added, "Karim does not trust the civil servants of the Senegalese Government, which is why he has set up his own parallel structure at ANOCI. He is a cold-blooded person. He smiles when you get him angry and then he settles his scores. Karim is too goal-driven. His father has the human touch and this is something that the Senegalese people like."
- 18. (C) The OIC was also a key link to Karim's role as point man for Senegal's relations with the Arab world. As reported in Ref A, Karim is reportedly a close friend of the King of Morocco, and it is through the King's personal introduction to dignitaries from the Gulf States that Karim has been able to negotiate huge investment deals and financial support for Senegal -- and greatly profit personally. These deals include the proposed USD 800 million Special Economic Zone to be built and run by Dubai's Jafza International. President and son Wade reportedly placed a very large sum of money donated by Arab countries for the OIC summit into private accounts to be used as a political slush fund.

- 19. (C) Karim also effectively parlays contacts from his days as an investment banker with UBS Warburgh in Paris and London. Most major projects in Senegal are handled by financial advisors close to Karim Morocco's BMCE Capital (commonly referred to as "Karim's Bank"), and Rothschild's Bank of London ("Karim's special bank"). BMCE is in charge of the new airport, the toll road, the sale of the President Meridien Hotel, and many other projects. Rothschild's is implicated in a backroom scheme to sell the government's shares of Sonatel Stock and other non-transparent deals.
- 10. (C) By all accounts, Karim's Wolof is poor and he is much more comfortable speaking in French. A former Minister of Culture, Ahmed Tidiane Wone, who is advising him, told the Embassy that prior to a speech in a populous neighborhood of Dakar, he told him to say in Wolof "I apologize because my Wolof is not hot" before continuing in French. Wone said that this had a great effect as people laughed, commenting that his Wolof was not so bad. Karim has also been making sure to court the country's religious leaders. He recently offered large quantities of prayer mats and sound systems to dozens of mosques in poor areas across the country. More importantly and most symbolically, Karim accompanied his father to Touba where he was officially presented to the Khalife-General of the Mouride brotherhood, Serigne Bara Mbacke. During this presentation, Wade told the Khalife, "Karim is clean and honest. He left everything in Europe to come here in order to support my campaign, even though he had many business dealings in Europe. He gives me great satisfaction and is among one of my closest confidantes, a man to whom I can confide everything.'

Generation du Concret

111. (C) Likely in anticipation of future political ambitions, Karim, with Wade the father's support, created a new political group, The Generation of Concrete (GC), even as he maintained a low political profile. GC was created to mobilize young Senegalese to act as foot soldiers for the PDS. The GC has also proven an effective and complementary vehicle to ANOCI to help Karim maintain huge influence over infrastructure and special projects in Senegal. The ANOCI, though originally designed to be disbanded at the end of 2008, shows no signs of disappearing. In fact, there are credible reports that ANOCI continues to undercut ministries and national agencies for money and influence. Habib Mbaye,

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Minister-Counselor at the Presidency and Financial Advisor to President Wade, and a childhood friend of Karim's, admitted last year what most people in Dakar believe -- no significant business deal takes place without Karim's participation.

- 112. (C) For these elections the GC is taking a backseat to the PDS proper, "Look if they want to run in these elections they are welcome to, but they need to wait their turn like everybody else. I'm sure they will contribute something, but they will do so under the aegis of the PDS. There is no question of supplanting the PDS with the GC," said Abdou Fall, who is the 2nd Vice-President at the National Assembly and close confident of the President. This was confirmed by Valdiodio Diouf, a close confident of Karim's, "We're not going to make a big deal about where our candidates have been placed on the lists; they will win anyway. We don't want to make this election about Karim and the GC. If we put Karim at the top of the list, then the whole dynamic of the race in Dakar changes. We'll keep a low profile for now."
- 113. (C) But tensions are clearly high between PDS stalwarts and GC upstarts, many of whom are young professionals who returned to Senegal from the United States or Europe. "Don't be fooled," says political science professor, Mamadou Camara, "as far as Wade is concerned, this election is about the PDS and the GC. This is why they won't be postponed. When he told his party's governing bureau that whoever loses needed

to resign from the party, he was serious. In this way he can ease out some anti-Karim forces within the PDS by using their electoral defeat as an excuse. The GC is growing, but doing so quietly. Commissions have been set up on key issues and they are being led by some big fish that for the moment prefer to keep a low profile. The GC will be presented as a fully formed entity when the time is right."

Entourage

114. (C) In his role as a Special Adviser to his father Karim has maneuvered some allies into key positions. These include the Minister of Energy, Samuel Sarr; the Minister of Justice, Mandicke Niang; the Minister of Labor, Innocence NTap; the Minister of Youth, Mamdou Lamine Keita; the Minister of Agriculture, Amath Sall; and the Minister of Family, Awa Ndiaye. Another key ally is Abdoulaye Balde who is currently the Secretary-General of the Presidency. Balde is at the same time the Director-General of ANOCI and is running to be Mayor of Ziguinchor. Aminata Niane, a Minister-Counselor and head of APIX, Senegal's investment promotion agency (and implementer of President Wade's "Grand Projects"), is another key ally.

Comment

115. (C) Karim Wade is a master at being concurrently out of the spotlight and ever-present. Ministers are scared of him, business people are cowed by him, and major policy decisions are vetted by him. He is, by all accounts, charming and smart, and he tells donors what they want to hear. But, his influence is pervasive, and, in our view, largely insalubrious. After the elections are over, and assuming Wade fils is successful, it should then become more readily discernable as to whether Wade pere is indeed plotting a scheme to ensure that Karim succeeds him. End Comment. BERNICAT